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WAYS AND MEANS REPUBLICANS CHOOSE HMOS OVER WORKING MOMS AND CHILDREN

Republicans Reject Stark/Emanuel Amendment to cut HMO Overpayments rather than programs that help people with low incomes.

WASHINGTON – Today, an amendment to take savings from Medicare HMO overpayments instead of programs to help poor working moms and children was voted out of order by Republicans on the Ways and Means Committee. U.S. Reps Pete Stark (D-CA, 13th) and Rahm Emanuel (D-IL, 5th) offered the amendment.

“We offered a simple alternative,” said Stark. “We could maintain programs for those in poverty, we could continue to fund childcare for working families, we could save American jobs and we could reduce the deficit. We could do all of this by halting billions of dollars of unnecessary overpayments to HMOs. But our Republican colleagues said no. They’d rather protect corporations than protect people.”

To protect low-income families and American jobs from the cuts and policies contained in the Republican bill, this amendment would draw savings from reducing Medicare overpayments to HMOs and other private plans that offer benefits in place of traditional Medicare. These provisions would save approximately \$24 billion over five years.

“The vote today, which MedPAC recommended and Senate Republicans backed, would have eliminated a \$5 billion corporate welfare subsidy to the HMO industry. As they look for savings, the Republicans chose to protect HMOs over single mothers and children,” said Emanuel.